

Utility Advisory Committee Meeting, March 14, 2016

Present: Andy Maron, Jeff Kantor, Steve Johnson, Emily Sato, Jim Thrash. Absent: Nancy Nolan

Also Present: City Councilmember Roger Townsend, PW Director Barry Loveless, Tom Brobst (PSE), Barry Margoles, Robert Dashiell, Jane Lindley.

1. The Meeting was called to order at 4:30 pm.
2. The 2/8 Meeting Notes were discussed and revised and approved.
3. Public Comment was taken. One comment asked when the draft Water System Plan would go to City Council for the first touch, which is tentatively planned for April 19.
4. The UAC's draft Utility Element of the Comprehensive Plan was discussed. The Utility Element was scoured on a utility by utility basis, with emphasis on the environmental elements of the program and how those are characterized.
5. The Water System Plan, authored by Carollo, was discussed at length. The committee focused on the proposed CIP projects and the financial analysis section, and discussed the uncertainties of the CIP projects and possible solutions that are less complex. The Rockaway Beach project was discussed in particular. The UAC discussed the water fund reserve balance over time and projections through 2021. The UAC discussed whether it made sense to maintain a large balance and, if not, what to do with it. The committee discussed that it was unusual to have a substantial balance in a utility fund. The committee reflected that it's bad policy to set water rates artificially low and thereby decoupling rates from the full cost of the service and discouraging conservation. A refund was discussed, as was maintaining rate stability. The committee resolved to look into the issue further and communicate conclusions to the council. In order to develop a recommendation for City Council, committee members were asked to develop and forward their comments on the plan ahead of the next meeting.
6. The Meeting was adjourned at 6:30 pm



Andy Maron, Chair 3/28/16